

# Exhibit C

From: **Purnima Kochikar** <[kochikar@google.com](mailto:kochikar@google.com)>

Date: Thu, Apr 21, 2022 at 10:47 PM

Subject: Re: Bandcamp

To: Ethan Diamond <[ethan.diamond@epicgames.com](mailto:ethan.diamond@epicgames.com)>, Alyssa Ablao <[aablao@google.com](mailto:aablao@google.com)>

Ethan,

Trust you are well. Congratulations on Bandcamp's recent acquisition by Epic Games.

Thanks for reaching out. It's nice to finally engage with you. Could we get on a quick call to discuss possible paths forward? (Alyssa, please help).

In preparation for our call, below are details of our engagement thus far and areas of alignment/opportunity we could discuss when we connect.

We look forward to restarting the positive and constructive conversations we had with your COO, Josh Kim, between April and August of 2021, where we found we had a lot in common - we are aligned in our commitment to our ecosystem, have a shared perspective on managing a platform business and want to find joint solutions. We were therefore at a loss when your team went silent on us around September 2021. Since then we have made many unsuccessful attempts to reach out to Bandcamp through emails, friends and colleagues, including Randy Gelber, CFO Epic Games and Shawn Grunberger, CTO of Bandcamp and made several attempts to connect with Josh Kim. Looking back, we assume you were busy with the acquisition conversations with Epic.

The thoughtful questions posed during our conversations made it clear that your team understood our policy clarification, including dates and deadlines. We also discussed various product integration and business model details, which contributed to Play's ongoing efforts to evolve our platform and business to meet the growing needs of our ecosystem. As you noted, this was not a new policy and only a clarification of the existing policy. As with all our policies, we gave adequate notice and significant lead time for implementing Play Billing. We announced the [clarification over 18 months ago, in September 2020](#) and provided over a year (until September 30, 2021) to integrate Google Play Billing. In [July 2021](#), we offered the option to request a 6-month extension (until March 31, 2022). As you're aware, Bandcamp sought and received an extension to comply until March 31, 2022. We also sent a reminder to Bandcamp after we [posted](#) our billing policy enforcement plan last month. It is therefore disappointing that your email seems to suggest that it is not on track to integrate Google Play Billing because Google did not provide proper notice or support.

Over the last eighteen months, we've actively worked with developers to understand the nuances of their business model, and moved away from one-size-fits-all pricing to meet the distinct needs of various developers. As a consequence, our fees are the lowest of any major app store whether on mobile or desktop. Our discussions with your team led to an enhancement to the Media Experiences Program, including the industry leading service fee of 10% inclusive of payment processing (it is great to know you received and read the email we sent in December 2021 about this). This fee is considerably lower than the average 18% commission inclusive of payment processing fees that artists pay on Bandcamp (<https://bandcamp.com/artists?from=hpartists#pricing>). One other difference from your business model is that Google Play does not charge any fees for sales of physical products on Google Play.

As for next steps, reflecting on our areas of alignment and shared principles could guide us towards effective joint solutions. Some topics that came to mind for me as I read your email are below. I look forward to hearing your perspective on them -

1. We are both aligned on building platforms that create value for those that need them, and we charge fees to continue to invest in the platform and the ecosystem. And like Bandcamp, we think the best way to do that is to charge a % of sales because it aligns our success with that of our developers. Would you agree? How would you differentiate Bandcamp's charges for the value of its platform vs. Google's charges?
2. We have both built billing systems as part of our overall platform value. Why did Bandcamp decide to build your "own billing system" as mentioned in your email? Can artists elect not to use Bandcamp's billing system? If not, why not?
3. We share a singular commitment to our users and go the extra step to simplify and streamline the user experience. How did Bandcamp make the decision to provide two very different user experiences across iOS (consumption only for digital content) vs. Android?

We acknowledge that integrating Play Billing may not be your preferred path, and if so, Bandcamp has several options on Android and Play - go "consumption only" on Play as you have on iOS; choose to use another app store, distribute apps through sideloading, or partner with OEMs to pre-load Bandcamp.

My team and I are here to support you and your team should you choose to integrate Play Billing. It would be helpful to know how much progress you have made in implementing Google Play Billing, and areas we could help address/expedite.

Again, I appreciate hearing from you. While we welcome any and all correspondence to deepen our partnership, please note that all communications regarding the subject of the pending litigation with Epic Games must be communicated between counsel.

Sincerely,  
P

On Fri, Apr 15, 2022 at 2:05 PM Ethan Diamond <[ethan.diamond@epicgames.com](mailto:ethan.diamond@epicgames.com)> wrote:

Hi Purnima,

My name is Ethan Diamond, I'm the co-founder and CEO of Bandcamp, an online record store and music community. More than 500,000 independent artists and 8,000 independent labels use our service to connect with their fans and make money, collectively earning close to \$1 billion USD to date. Many of those artists rely on Bandcamp to make a living, and have shared their experiences on Twitter and with the press. One artist called Bandcamp "the principal reason for my financial survival in the last year and a half," while another stated "I regularly use my Bandcamp money to buy groceries" (hundreds of similar comments, as well as some recent coverage from The Guardian, Los Angeles Times, and The New Yorker, are featured on our [about page](#)).

Bandcamp makes money through a revenue share on sales, which aligns our interests with the interests of the community we serve. As further context, for the period from January 1, 2020 through March 16, 2022, Bandcamp's overall take rate on gross sales and the gross profit margin on our digital marketplace was approximately 13% and 7.5% respectively, leaving very little to cover a platform fee let alone operating expenses. We've deliberately limited our share of revenue to the minimum we need to run the business, because fair compensation for artists helps the musical arts flourish, which in turn creates the best experience for music fans.

Since 2015, artists and labels have used Bandcamp's Android app to sell music and merchandise directly to their fans, and we have used our own billing system to process those payments, consistent with Google's guidelines. This has allowed our artists and labels to keep the lion's share of their earnings on Android. We have spent years building the Bandcamp app's reputation as a reliable and secure service that artists, labels, and fans can trust, and our payment system, developed over a number of years, has worked exceptionally well to support our business and our community.

However, Google is now modifying its rules to require Bandcamp, and other apps like it, to exclusively use Google Play Billing for payments for digital goods and services, and pay a revenue share to Google. As we shared in June and August 2021, this change does not work for our community or our business.

Even at a reduced revenue share rate of 10% (as offered by Google in December 2021), we would have to either raise prices for consumers (making Android a less attractive platform for music fans), pass those fees on to artists, or permanently run our Android business at a steep loss.

Beyond the impact of the newly imposed revenue share, the way we have designed and operated our business for years on Android is incompatible with Google Play Billing. Bandcamp is a large marketplace, where artists add and edit tens of thousands of digital and physical items each month and have full control over pricing – a use case that Google Play Billing was not designed to accommodate. Furthermore, our existing billing system enables us to issue refunds and resolve support issues quickly. Placing Google in the middle of the direct relationship we have with artists and fans would fundamentally undermine the quality and character of that service. On top of that, because Google Play Billing cannot be used for the purchase of physical goods, fans would be faced with the subpar user experience of two completely different checkout flows depending on the type of items being purchased. Finally, integrating Google Play Billing would require us to switch from paying out artists within 24 to 48 *hours* of a sale (an essential feature of our offering) to paying out 15 to 45 *days* after a sale. This would represent a significant hit to the artists who rely on us to make a living and continue making music.

Google has stated that any apps that have not switched to Google Play billing by June 1, 2022 will be removed from the Google Play Store.

We urge Google to withdraw this policy change and revert to the prior guidelines that allowed apps like Bandcamp to offer their own payment solution for digital goods. We believe that Google has an opportunity to position Android as the world's best platform for creators, in the midst of a historic push from the public for fairer, more open platforms. Continuing to welcome artist-first marketplaces like ours would make Android more appealing to developers, which in turn would make Android-powered devices more valuable to consumers by attracting more and better apps.

Please confirm by April 25, 2022 that Google will retract its policy change and allow services like Bandcamp to exist on and be updated through Google Play while offering their own payment solutions for digital goods.

Respectfully,  
Ethan

--

Purnima Kochikar  
Google Play, Apps & Games  
[kochikar@google.com](mailto:kochikar@google.com)  
+17813548147

Join me in supporting [AUW's](#) efforts to educate courageous Afghan Women by [donating](#) to the AUW Afghan fund and I'll match your donation!